

A Coin World Exclusive Feature

Let's Glance Back To Numismatic 1773

By Eric P. Newman

In a Bicentennial frame of mind let us drop back 200 years in American numismatics to the year 1773. Imagine how delightful it would have been to be a collector then and to have 1973 knowledge of what to look for.

Pierre Eugene Du Simitiere in 1773 was apparently the only American collector of coins and paper money. Although born in Switzerland, he was naturalized in the Colony of New York and resided primarily in Philadelphia. He collected many antiquities in order to establish a museum and was a fine portrait artist. He knew Bostonians well, but was not invited to participate in the Boston Tea Party. He was always short of funds because his collecting zeal was too strong (a habit still popular in 1973).

Let us assume we are also numismatists in 1773 and go for a visit to the counting houses and merchants' stores and warehouses, exercising the right to put our hands in the till of any business and to talk to its operators about then current numismatic happenings.

In New England and New York small change was plentiful and consisted primarily of George II English halfpence, extensively worn and often counterfeit. Quantities of halfpence and farthings dated 1749 had been shipped to Massachusetts Bay in 1750 to repay the colony for military action, and those coppers had spread throughout the northern colonies.

Counterfeits circulated without distinction from genuine pieces. Occasionally a William III or George I copper came along. The new George III copper coinage was uncirculated red and beautiful and examples were often brought over by visitors. The opportunity to collect at face value a series of dates and die varieties of these coppers was available, but we abstained because we had no holders to fit them in.

English silver coinage was limited in circulation because it was continually sent back to England to purchase merchandise. Pine Tree shillings were still circulating close to their silver value, since they were often clipped and heavily worn after a century of use. Spanish reales of various denominations were much in use, and the West Indies trade brought in its share of Spanish and Portuguese gold coins as well.

The old 1751 restriction on the issuance of paper money in the New England colonies was still in force because of the 10 to one revaluation which had culminated in 1750. The restriction required any paper money issue to be redeemed in two years if it carried no interest or within five years even if it carried interest. Since redemption through taxes in such a short period created a heavy burden on any New England colony desiring to issue paper money, this discouraged such issues. By 1773 all New England colonies had given up paper money issuance except for Connecticut, which still continued its practice by issuing on June 1, 1773 non-interest bearing bills due on June 1, 1775.

New York in 1773 was quite prosperous. Gold and silver foreign coin were available, but because New York paper money was of full value (eight shillings to a Spanish dollar), its paper money sufficed for all except the smaller transactions. English copper and foreign silver were used at the food stalls on its customary exchange basis.

In March 1773 the New York Assembly passed an act for printing an image of a gallows and pasting that picture on the backs of each genuine piece of New York paper money of Feb. 16, 1771.

Many demonstrations of the 1771 issue had been counterfeited and the idea to protect the public by covering the blank back with an attached warning of the grim penalty for counterfeiting was a novel one. The scheme was abandoned because it was obviously pointless. All a counterfeiter or holder of a counterfeit note needed to do was to soak such a picture off a genuine bill and paste it on a false one. The genuine bill could then be passed with impunity, or turned in for a new back and the counterfeit could be passed protected by its gallows paste-on. The counterfeiters must have been amused.

Pennsylvania in 1773 was using virtually all paper money for its circulating needs, along with some English copper. Pennsylvania had operated a public loan office and had collected interest and principal on real estate mortgage loans to pay off the currency it issued in making the loans and still had a surplus over operating costs. When this method of lifting itself by its boot straps had substantially

phased out by 1773, it was revived by a 150,000 pound issue dated Oct. 1, 1773. This money had a novel anti-counterfeiting and anti-alteration device. Part of the text was printed in red ink in the shape of the denomination in Roman numerals and the balance of the text was printed in black. Earlier in 1773 Pennsylvania had issued paper money to pay for improving its growing port facilities and used a picture of the Cape Henlopen lighthouse on the back.

New Jersey in 1773 was in a battle with England over paper money for the continuation of its Loan Office System. Beginning in 1768 New Jersey had passed several enabling acts which like all legislation, had to be sent to England for approval. England engendered the hatred of New Jersey by stalling for long periods before acting on the matter and then by failing each time to approve the legislation for trivial reasons. In 1773 the struggle was still on and was not concluded until the commencement of the American Revolution.

The colony of Maryland in 1773 was successfully adjusting to the use of Spanish dollars as its money of account rather than Maryland shillings and pounds. It was the first colony to issue dollar denominations of paper money. Its residents felt no fear of paper money depreciation because Bank of England securities were held in England as collateral for Maryland's issues. Its Loan Office, which had closed in 1765, was revived in 1770 to stimulate land development. Little did Maryland realize that excellent collateral in England would be of little benefit to them when independence from England was declared.

Virginia in 1773 was struggling to eliminate the inconvenience from its lack of small change. After several years of negotiation with England, copper halfpence dated 1773 and containing the arms of Virginia became the first authorized coinage made by the mother country for one of its American colonies. The Royal Mint had struck the issue, but complications as to its distribution arose and there was a delay in shipping it to America. As a result the bookkeeping for small transactions had to continue and many tobacco accounts and tobacco barter transactions were continued.

In the same year a major

Eric Newman, Scholar, Man Of Many Hobby Roles

Eric P. Newman of St. Louis, Mo., is a leading authority on colonial American numismatics.

He is a member of the Council of the American Numismatic Society, life member of the American Numismatic Association, chairman of the Coins and Medals panel of the American Revolution Bicentennial Commission and a committee member of ANACS.

He also serves as president of the Educational foundation which bears his name and as a director of the Numismatic Literary Guild.

Newman served on the 1967 U.S. Assay Commission; was named the recipient of the ANA Farran Zerbe Award medal in 1969; the Medal of Merit in 1964, and nine Heath Literary Awards from the ANA.

He has written many articles for various publications on a wide variety of numismatic subjects. Newman's presentation on "Bungtown Coppers of Early America" was part of the



Eric P. Newman

educational forum during the ANA Convention in New Orleans.

Newman is vice president and secretary of the Edison Brothers Store, Inc. of St. Louis.

catastrophe befell the Virginia paper money, resulting in one of the most unusual solutions conceived in American numismatics. Two years before in 1771, the tobacco stored in warehouses in Virginia had been substantially destroyed by floods caused by extensive spring rains. The rivers exceeded high water levels to such an extent that the crest was not exceeded in height until 201 years later, in 1972, when the same conditions reoccurred. The loss in 1771 was so staggering to the economy of the colony that those who had receipts for stored tobacco had to be reimbursed by the colony. The special 1771 issue of paper money was hastily printed at Williamsburg at the print shop of William Rind, which in reconstructed form can now be visited at Colonial Williamsburg. But in 1773 a worse menace

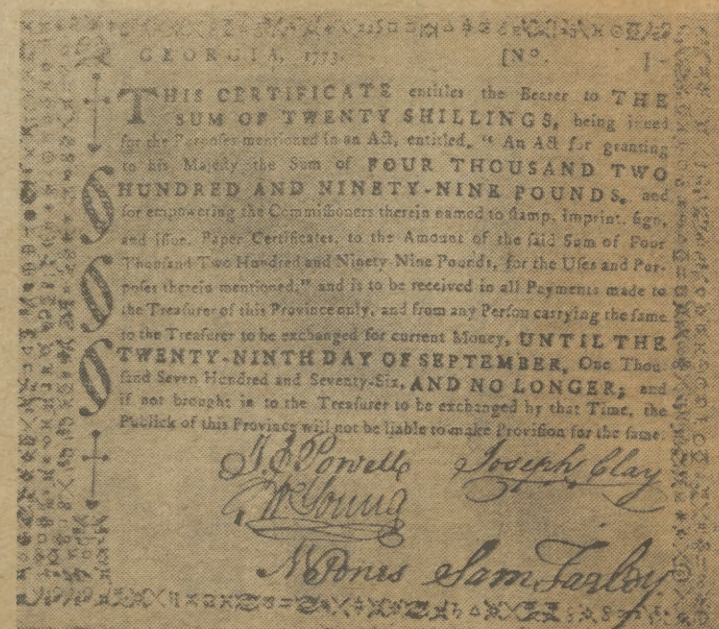
arose. Counterfeiters introduced quantities of forgeries of the recently issued paper money which slipped into circulation without being promptly noticed. In April 1773 the discovery of the crime was announced in the newspapers, but the counterfeiters were so excellent that all denominations were recalled. It was necessary to substitute some new and different money quickly.

A banking house for Virginia had been attempting to obtain authorization to operate. It had been reasonably assured of approval and had ordered engraved bank note forms from England. This was to be the James River Bank. The Virginia treasurer, Robert Carter Nicholas, obtained the bank note forms for a Virginia treasury issue until new engraved forms

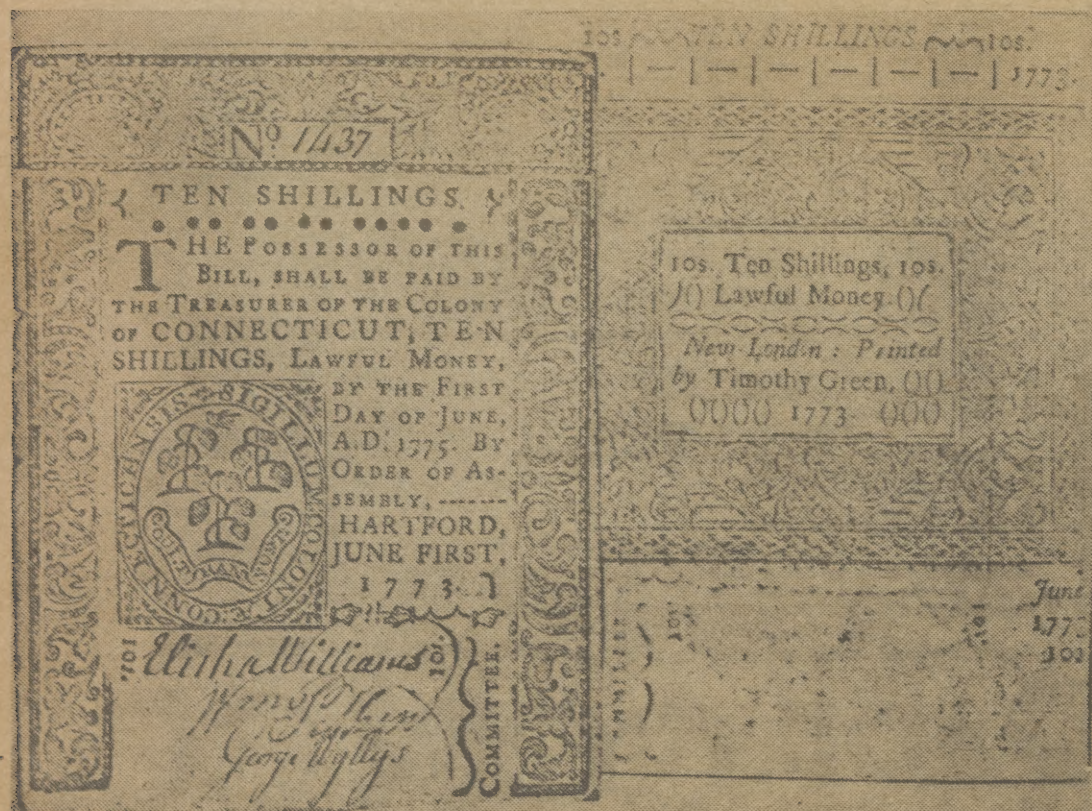
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Virginia halfpenny or halfpenny of 1773 was struck in England in an effort to ease the colony's shortage of small change, according to Eric Newman. The coins containing the arms of England on the reverse and portrait of King George III on the obverse were the first struck by the Royal Mint for an American colony.



Georgia issued this 20-shilling note, a large, two-color bill, in 1773. The text, which runs to 156 words, must be the longest in the history of American currency, Newman suggests. This issue was intended to redeem previous notes and to meet the colony's needs.



Connecticut was alone among American colonies still issuing paper money in 1773. Other colonies had ceased, temporarily, the practice because of a Royal restriction that required any paper money issued to be redeemed in two years if it carried no interest, or in five years if it carried in-

terest. The note shown here is of the issue of June 1, 1773, part of 12,000 British pounds in Treasury Notes due on June 1, 1775. Printer Timothy Green of New London had a busy commission.

Bicentennial Of 1773 Fascinating

COINS SUGGESTED FOR VIRGINIA, 1756.

"But y^e I submit to Y^r Superior Judgem^t, or if tho^t proper y^t the Money sh^d be coin'd at home for Paym^t of all the Officers, Civil and Military, to be sent annually to the different Colonies, y^t the Money so coin'd may be with Inscriptions, as may be tho^t proper, to distinguish it from American Curr^y.
"This the French have practiced for many years."
Governor Dinwiddie to the Lords of Trade.

The Virginia halfpenny or halfpence of 1773 was probably the result of the above suggestion, according to the American Journal of Numismatics of April, 1885.

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could be obtained from England. To scratch out inapplicable portions of the James River Bank forms would have been crude and unattractive. Therefore, the idea was conceived to block out unnecessary text by enclosing it in parentheses. By longhand extensive additional text was added showing the issuer, the treasurer's name, the authorization, the issue date, the due date, the book number, the note number, etc. The backs, which were originally blank, were then printed with a border, the denomination, and a counterfeit warning.

Why the backs were not used

Membership Static

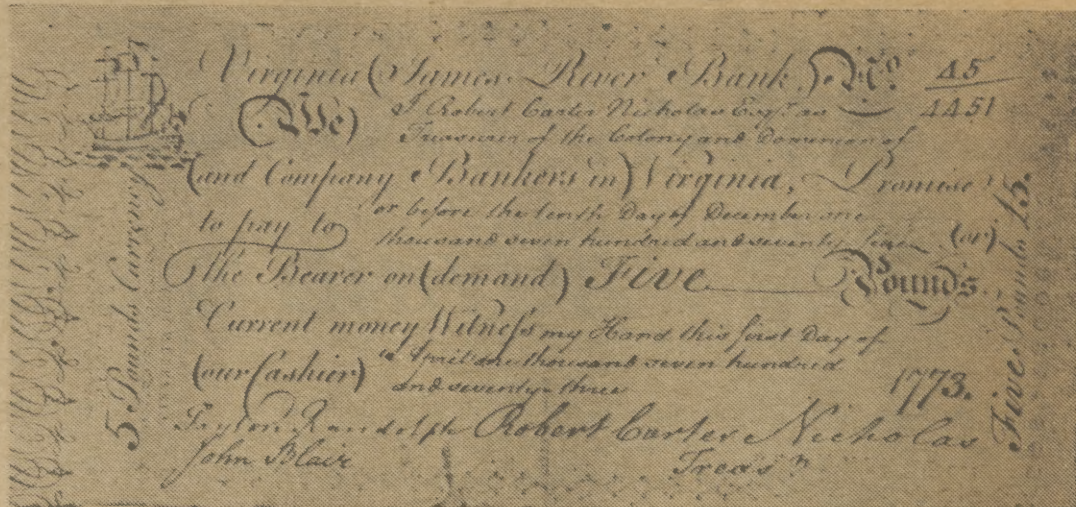
The American Numismatic Association membership statistics at the end of the fiscal year reveal that membership stands at 27,410, a fairly static figure during the past few years.

Membership numbers at the same time 10 years ago were in the 50,000 area. Latest numbers fall in the neighborhood of 75,500, an indication or barometer of the activity in the hobby during the past decade.

to print the entire official text and thus becoming the face of the bills is difficult to understand because the engraving on the other side would have been sufficient protection against counterfeiting. Only a short period would be involved because the new note forms would soon arrive from England and a substitution could take place.

By the fall of 1773 Virginia notes engraved by Harry Ashby of London did arrive and were quickly numbered, dated, signed and issued. The exhausting work of filling in the James River Bank forms was stopped. Thus Virginia solved its counterfeiting emergency with a quaint and unusual issue of necessity money. It did not use up all of the James River Bank forms for this purpose and when the next emergency arose (the American Revolution) it conveniently used up the balance.

North Carolina in 1773 was using paper money and money of account referred to as proclamation money. These issues complied with the 1704 Proclamation of Queen Anne, regulating the value of coin with respect to paper money. South Carolina was sustaining paper money and tax anticipation notes by carefully regulated tax-



Counterfeits forced the recall of an existing Virginia note issue and the issuance of a new series of notes as an emergency in 1773. So hurried was the need to combat the counterfeits that bank note paper prepared for the James River

Bank was pressed into use. Unnecessary text in the original bank note paper was simply enclosed in parentheses, additional text added and the previously blank backs supplied with border, denomination and counterfeit warning.

redemption of money they received from furnishing supplies to a colony. Although England gave each American colony many an offer it could not refuse, this one was

gracefully rejected by appropriate inaction. There was numismatic action everywhere in America during the year 1773, and the Bicentennial of that year is a delight to recall.

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In 1939 the first bourse room was established for the A.N.A. Convention with 10 cases and 7 dealers.

Today, the professional coin dealer has already grown to four figures, assuming a position of major importance in the hobby. Professional coin dealer groups were organized to set a Code of Ethics, with obligations to serve the public.

This society is UNIQUE in this field of professional numismatics. It is a co-operative group without elected officers, without a constitution and without by-laws.

The majority of our members were associated with other professional groups of coin dealers and for many years held offices, served on numerous committees, also contributed their knowledge to write their constitution and their by-laws. With their knowledge from their previous association with the other professional groups, each member in this society brings with them a certification and is so recognized as HIS CODE OF HONOR, and can only be accepted as a member when their application is completed, sworn and signed by a Notary Public. This is mandatory.

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Smithsonian Gets Payroll

The Smithsonian Institution's National Museum of History and Technology has received the original payroll of the Continental Navy gondala Philadelphia, America's oldest existing man-of-war, which is on display at the museum.

The payroll lists the names of Capt. Benjamin Rue and 43 other crewmen, as well as the sums of money due each man at the conclusion of the Northern Campaign of 1776.

Donating the document was the board of directors of the Fort Concho Museum in San Angelo, Tex., where it was rediscovered recently. The payroll had been given to that museum in 1947 by Mrs. Robert C. Ferguson of San Angelo, a direct descendant of Captain Rue.

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